

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 438 - HB 519**

March 17, 2019

**SUMMARY OF BILL:** Enacts the *Tennessee Firefighter Cancer Act* for the purpose of establishing a rebuttable presumption that any cancer which causes a disabling health condition experienced by full-time firefighters occurred in the line of duty, if certain conditions are met.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures -- \$100,000/FY19-20  
\$200,000/FY20-21  
\$300,000/FY21-22  
\$400,000/FY22-23  
\$500,000/FY23-24 and Subsequent Years**

**Exceeds \$10,000/Claims Commission**

**Increase Local Expenditures – Exceeds \$1,000,000\***

Assumptions:

- The proposed legislation:
  - Applies only to full-time firefighters of a fire department of the state or a political subdivision of the state.
  - Presumes that any disabling health condition caused by cancer which results in the firefighter being unable to perform regular duties occurred in the line of duty.
  - Authorizes an employer to require a firefighter to submit to pre-employment and annual medical examinations that screen for cancer at the expense of the employer.
  - Any disabling health condition caused by cancer which results in death is presumed to be a loss of life in the line of duty.
  - Authorizes a firefighter to receive benefits following termination of service for a period of four months for each year of classified service, limited to a maximum of 120 months following termination.
- Tennessee Code Annotated § 7-51-205, enacted in 1991, established a rebuttable presumption for full-time firefighters employed by Davidson County for any condition or impairment of health caused by disease or cancer. Firefighters are required to have

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successfully passed a physical examination which revealed no evidence of cancer prior to entering employment in order to claim benefits under this presumption.

- According to Davidson County:
  - The Nashville Fire Department (NFD) currently employs 1,143 full-time firefighters.
  - Since 1991 there have been approximately 218 cancer claims approved for full-time firefighters, or an average of 7.8 (218 per year / 28 years) per year.
  - Davidson County has paid approximately \$14,969,136 in medical costs associated with these 218 claims.
- On average, approximately 0.6 percent (7.8 per year / 1,143 firefighters) of firefighters employed by the NFD contract cancer annually.
- Based on information provided by the State Fire Marshall's Office and the Tennessee Claims Commission:
  - Approximately 6,235 full-time firefighters are employed by local governments, excluding those covered by Davidson County.
  - Approximately 237 state employees are qualified to fight fires in some capacity. It is assumed the provisions of this legislation would apply to approximately 42 of those firefighters.
- Assuming the rate of cancer in Davidson County is representative of all other areas of the state, approximately 37 (6,235 firefighters x 0.6%) full-time firefighters in the state will contract cancer annually.
- Based on information provided by the Department of Health, in 2018 there were at least six persons who perished, listing their occupation as a firefighter, and whose cause of death was listed as cancer. The type of cancer is unknown.
- If the disabling health condition is determined to be caused by cancer and judged to be contracted in the line-of-duty by way of the rebuttable presumption, and the firefighter subsequently dies of cancer, the estate of the firefighter will be entitled to receive a death benefit of \$50,000 per year for a period of five years, pursuant to Tenn. Code Ann. § 7-51-210.
- Assuming the estates of two full-time firefighters claim and are awarded the state death benefit each year, it will result in an increase in state expenditures of \$100,000 (\$50,000 x 2) in FY19-20; \$200,000 [(\$100,000 + (\$50,000 x 2))] in FY20-21; \$300,000 [(\$200,000 + (\$50,000 x 2))] in FY21-22; \$400,000 [(\$300,000 + (\$50,000 x 2))] in FY22-23; and \$500,000 [(\$400,000 + (\$50,000 x 2))] in FY23-24 and subsequent years.
- It is assumed that one state-employed firefighter will apply for and receive benefit coverage under state benefits annually as a direct result of this legislation. While a precise impact to the Claims Commission cannot be determined, it is reasonably estimated to exceed \$10,000 annually.
- The extent of benefits which are currently provided to full-time firefighters by each local government is unknown; therefore, a precise recurring mandatory increase in local government expenditures for providing additional benefit coverage cannot be determined, but is reasonably estimated to exceed \$1,000,000 statewide.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

Assumption:

- The proposed language will not result in any significant impact to jobs or commerce in Tennessee.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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